







CREDIT GROWTH OUTLOOK & KEY DRIVERS



AGENDA

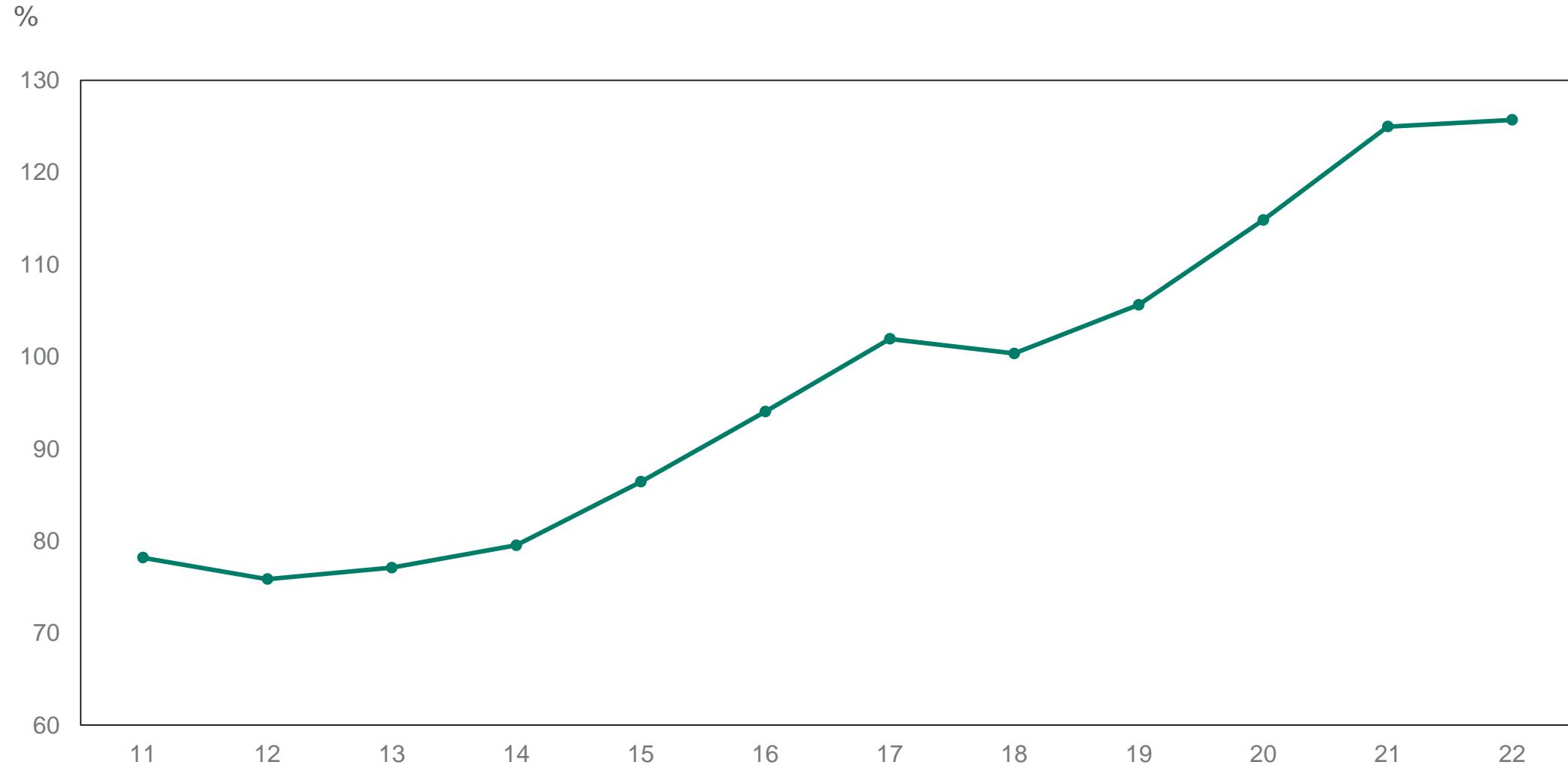


	1H 23 CREDIT	WHY GROWTH NOT AS EXPECTED?	1
	2H 23 CREDIT	WHAT WILL BE THE DRIVERS?	2
	BANKING SYSTEM FINANCIAL HEALTH	ECONOMIC IMPACT ON BANKS	3
	CONCLUSION		4

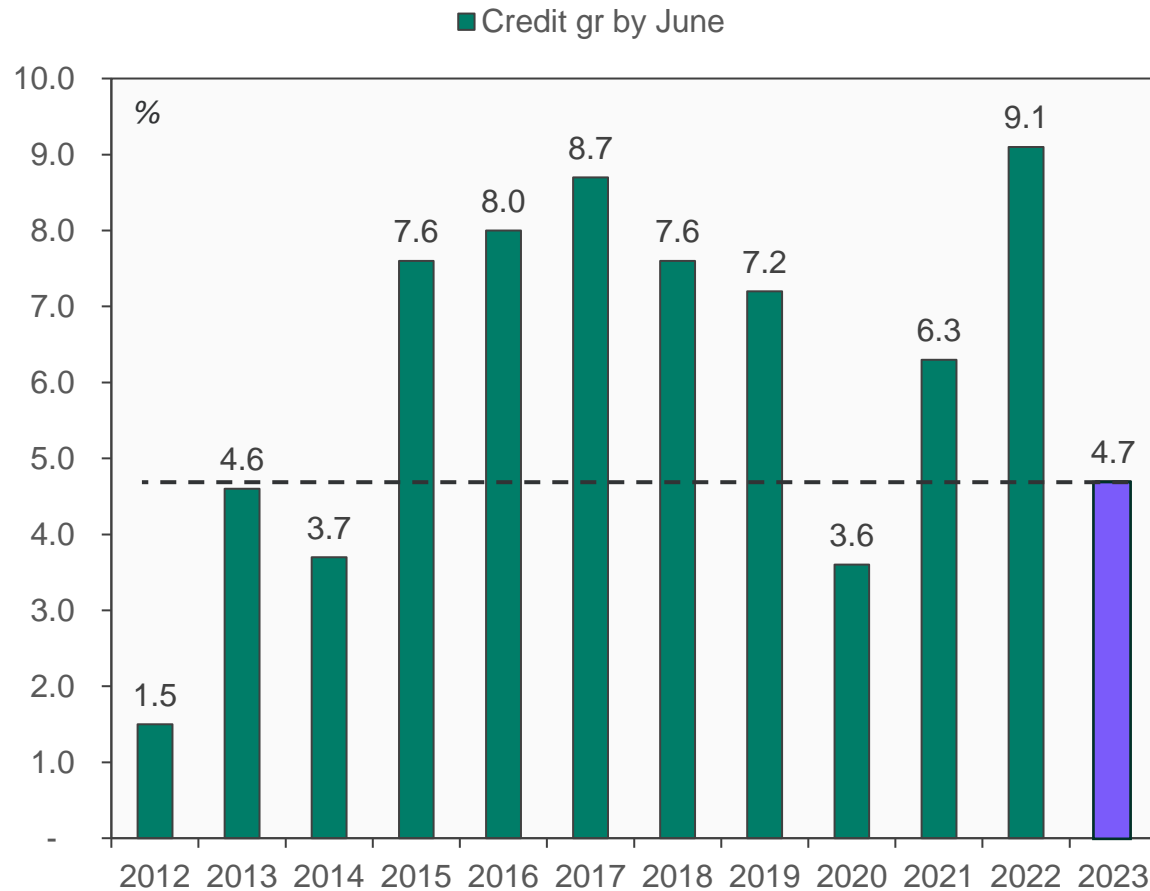
CREDIT GROWTH IN 1H 2023



VIETNAM CREDIT TO GDP

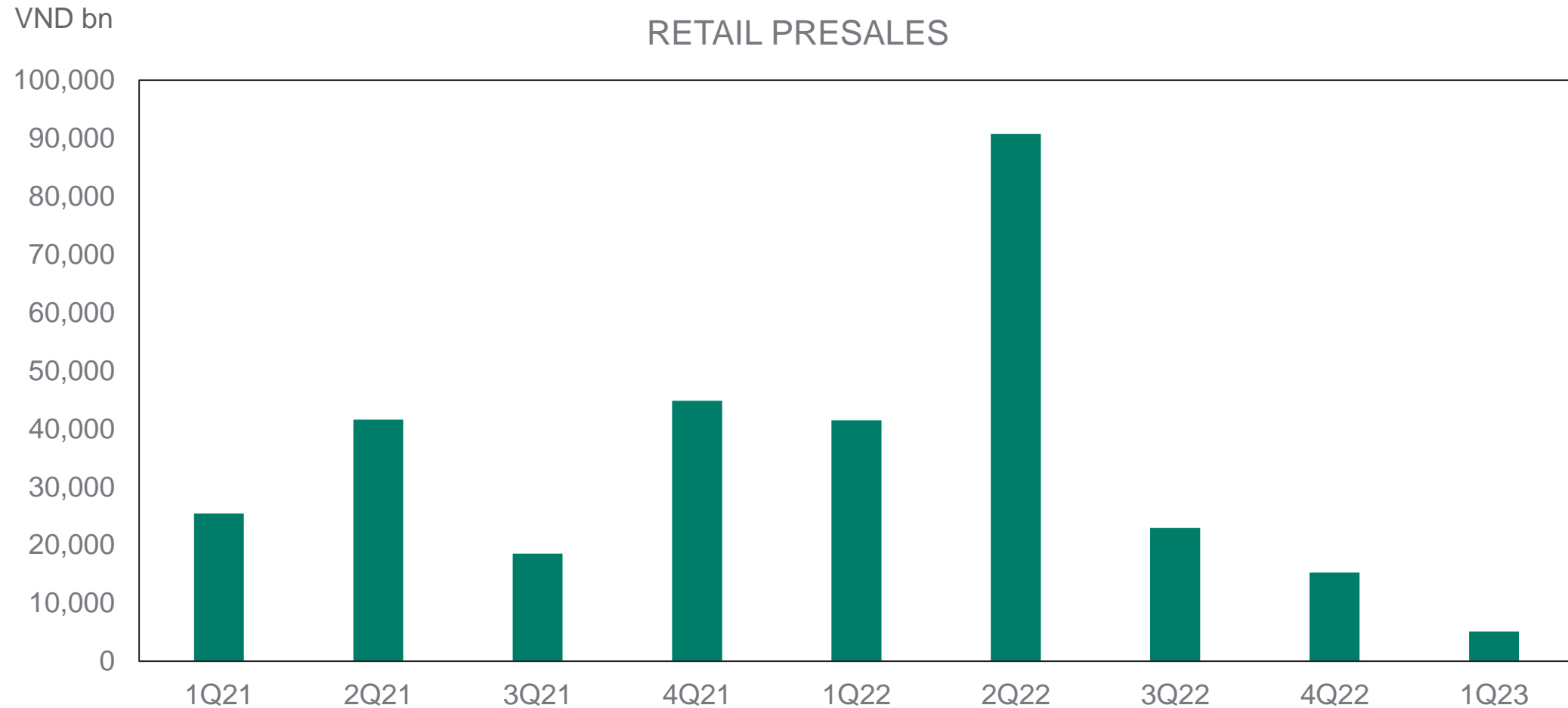


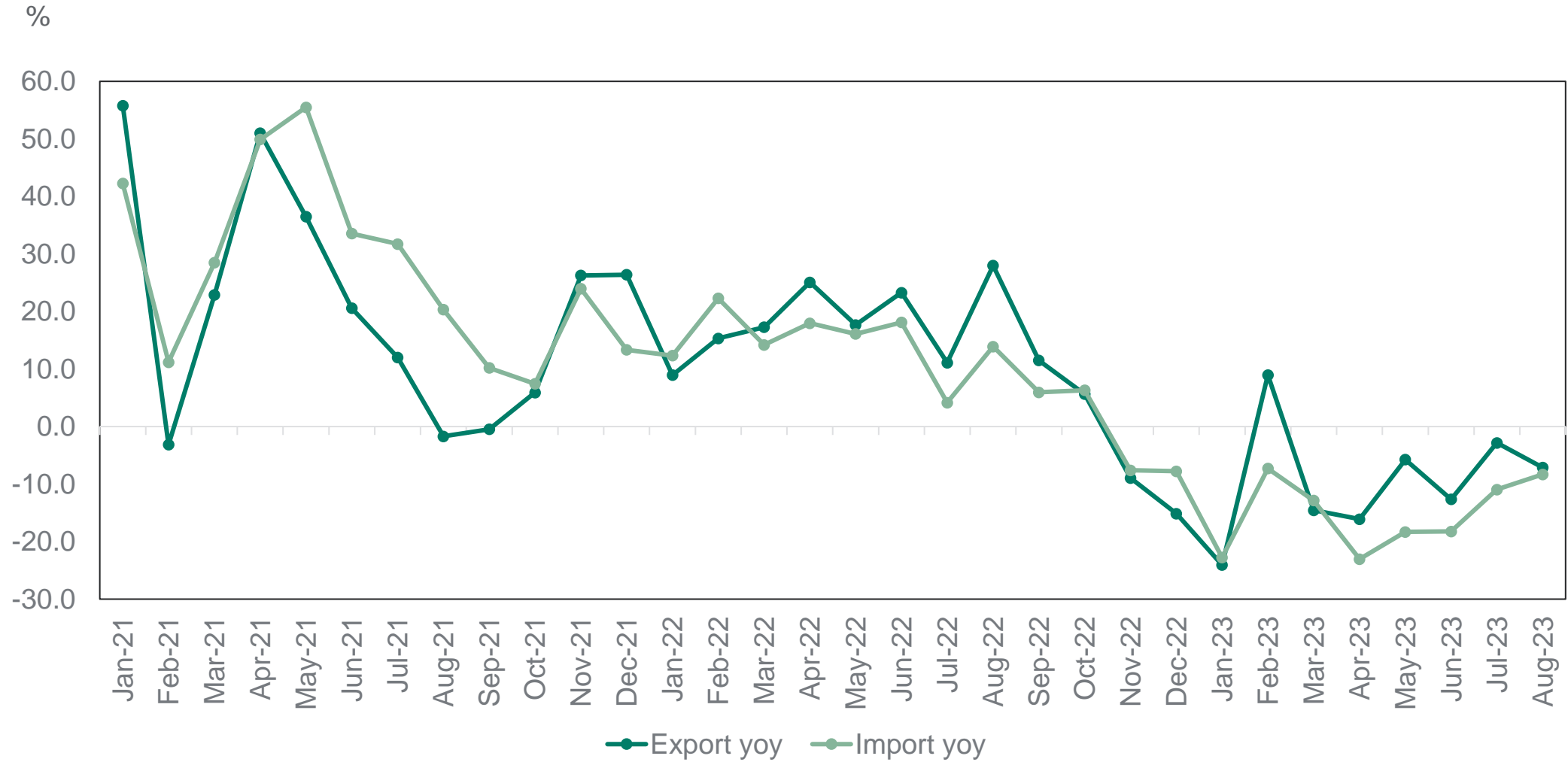
YTD – WEAKEST LEVEL OF CREDIT GR IN YEARS



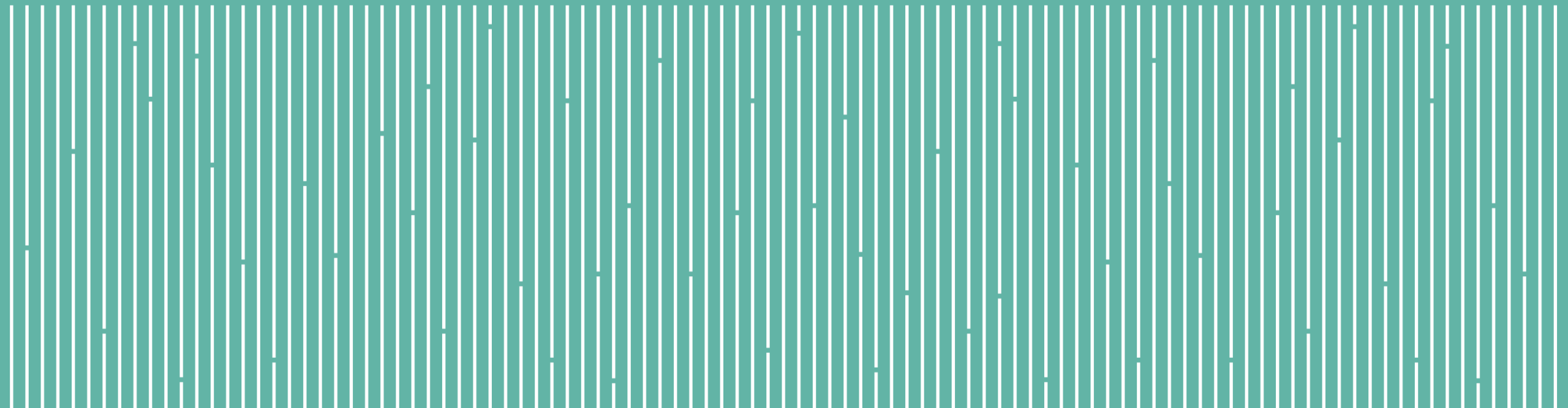
DRIVEN BY WEAK RETAIL CREDIT GROWTH

YTD growth by segment (%)	RETAIL	SME	BIG CORP
ACB	3.0	6.0	22.6
TCB	(8.4)	8.7	47.4
VPB	4.8	4.5	21.9
CTG	6.3	3.3	9.3
VCB	0.9	(2.5)	5.9
MBB	9.4	9.0	24.0
Aggregated	2.9	4.5	14.3





CREDIT GROWTH 2H OUTLOOK – POISED FOR RECOVERY

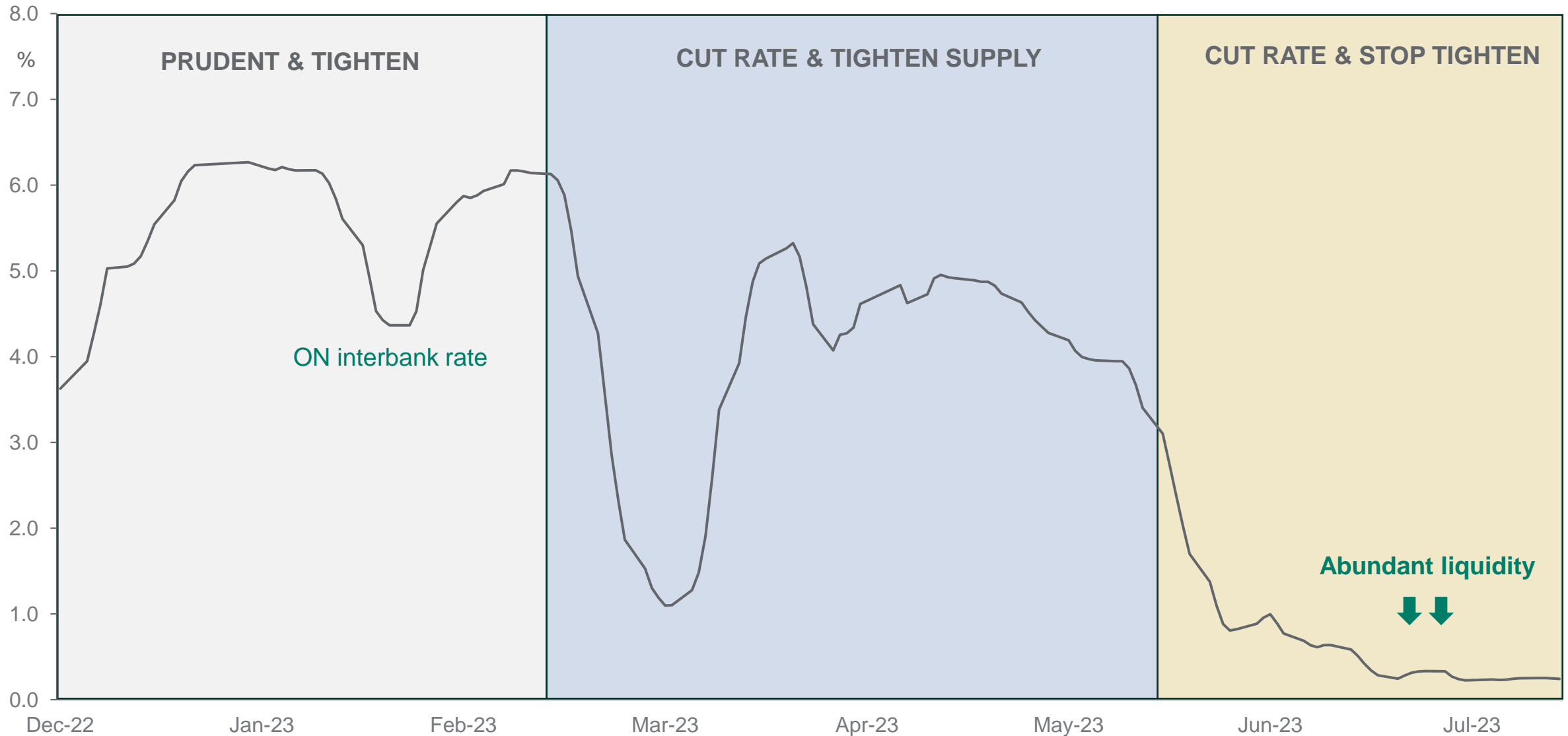


STATISTICALLY, 2ND HALF WILL OBSERVE RECOVERY IN CREDIT GROWTH

Year	1st half	2nd half	FY	2H vs 1H
2012	1.5%	6.9%	8.7%	4.5
2013	4.6%	7.3%	12.5%	1.6
2014	3.7%	9.7%	14.2%	2.6
2015	7.6%	8.4%	17.3%	1.1
2016	8.0%	9.0%	18.2%	1.1
2017	8.7%	8.2%	18.2%	0.9
2018	7.6%	2.8%	10.8%	0.4
2019	7.2%	5.7%	13.6%	0.8
2020	3.6%	8.0%	12.2%	2.2
2021	6.3%	6.6%	13.6%	1.0
2022	9.1%	4.3%	14.2%	0.5
2023 (*)	4.7%	7.4%	12.5%	1.7

1. SUPPORTED BY MONETARY POLICY

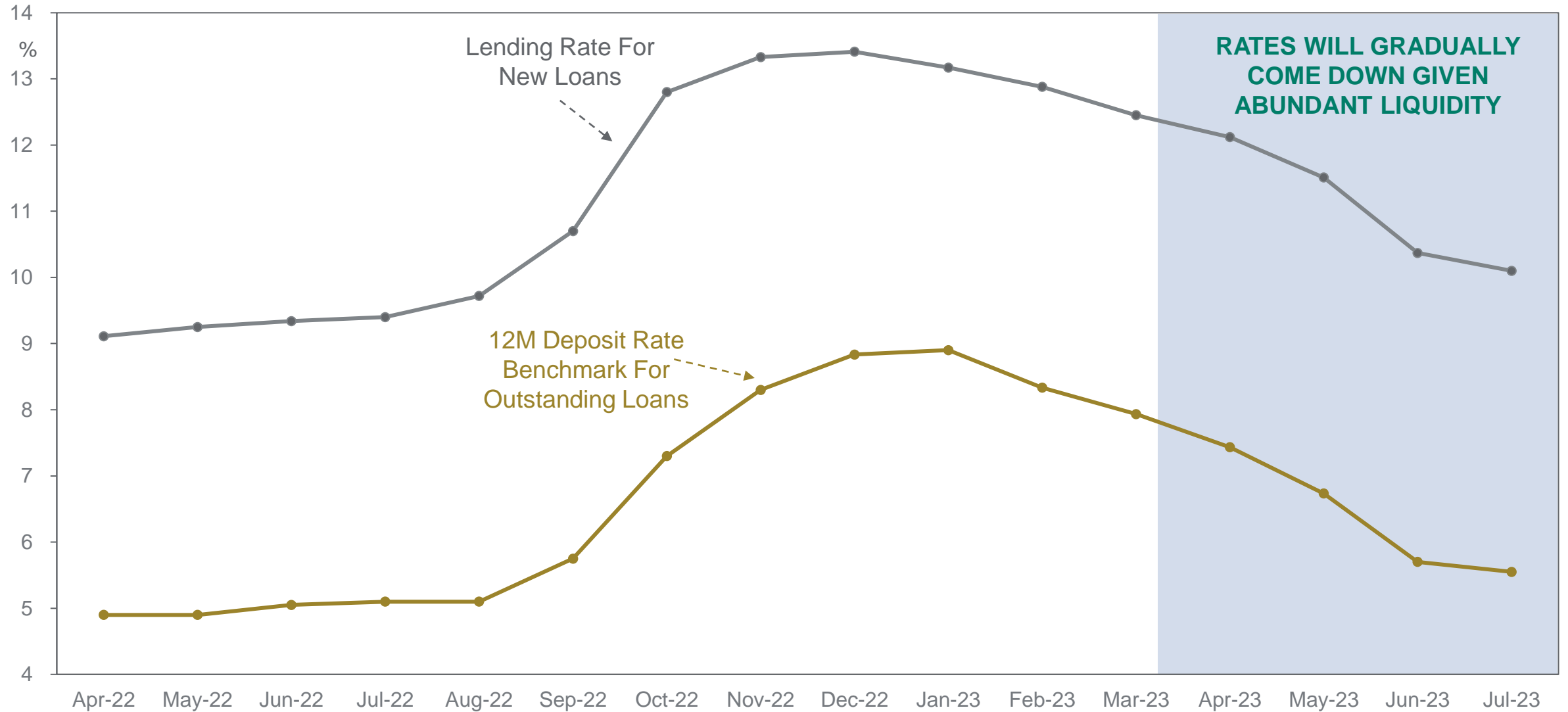
BANKS HAVE EXCESS MONEY, REPRESENTED BY THE OVERNIGHT INTERBANK RATE **CLOSE TO 0%**



Source: Bloomberg, SBV, Dragon Capital

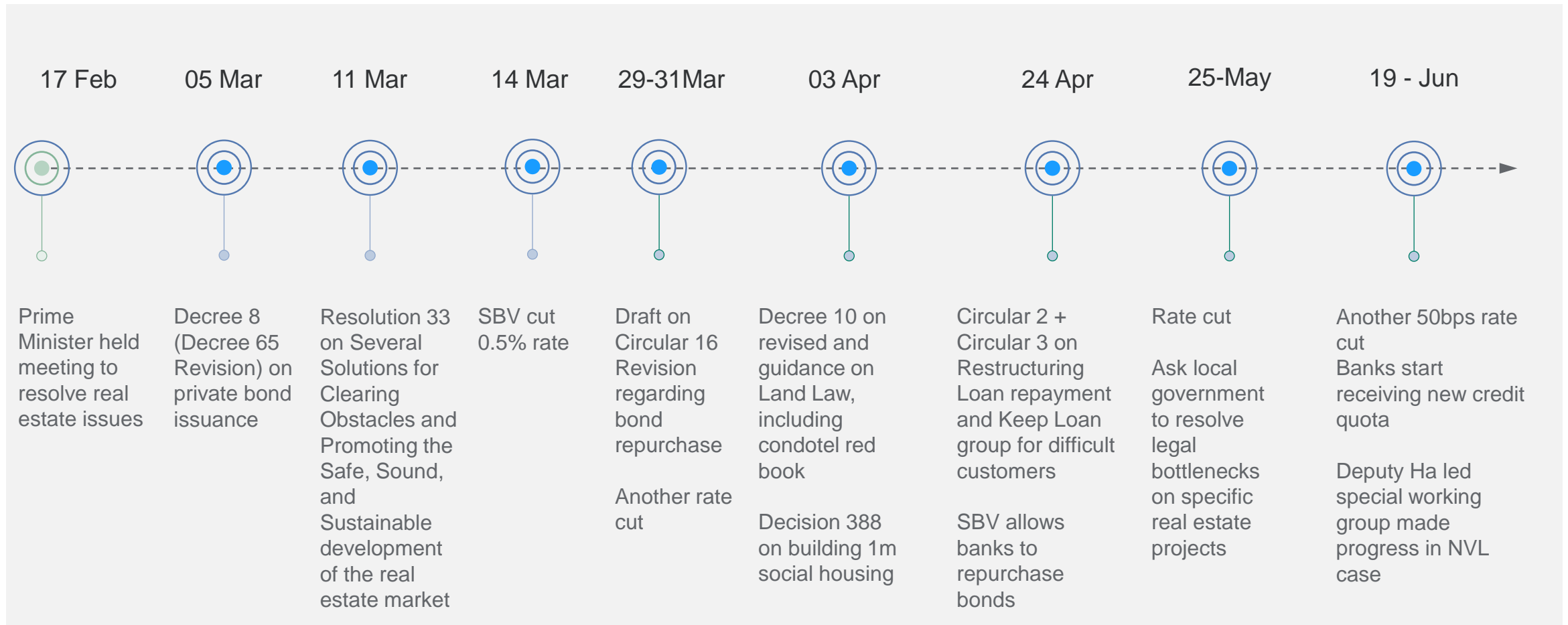
2. SUPPORTED BY RATES CUT

SBV DOES NOT EXERT MUCH INFLUENCE, RATE WILL NATURALLY DECLINE



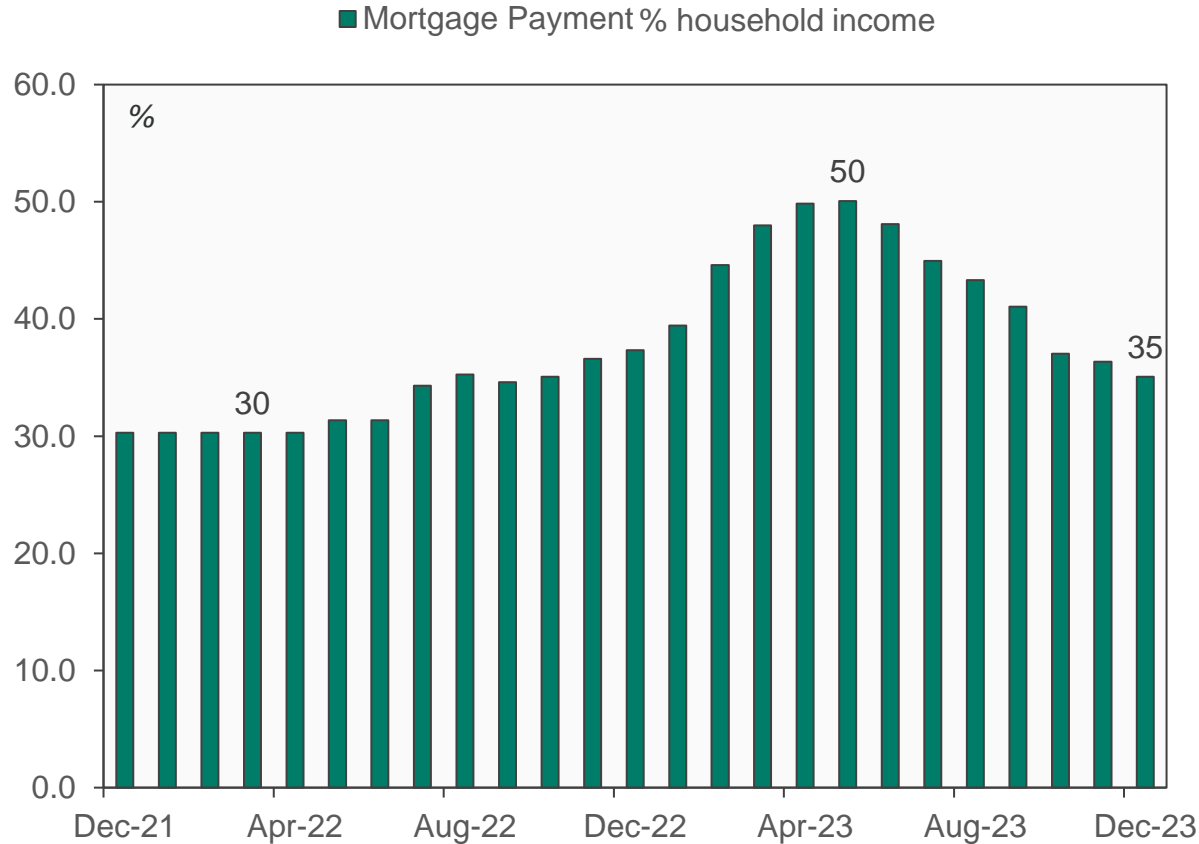
Source: Dragon Capital, SBV, Commercial Bank Websites

SPECIFY MEASURE TO RESCUE PROPERTY MARKET

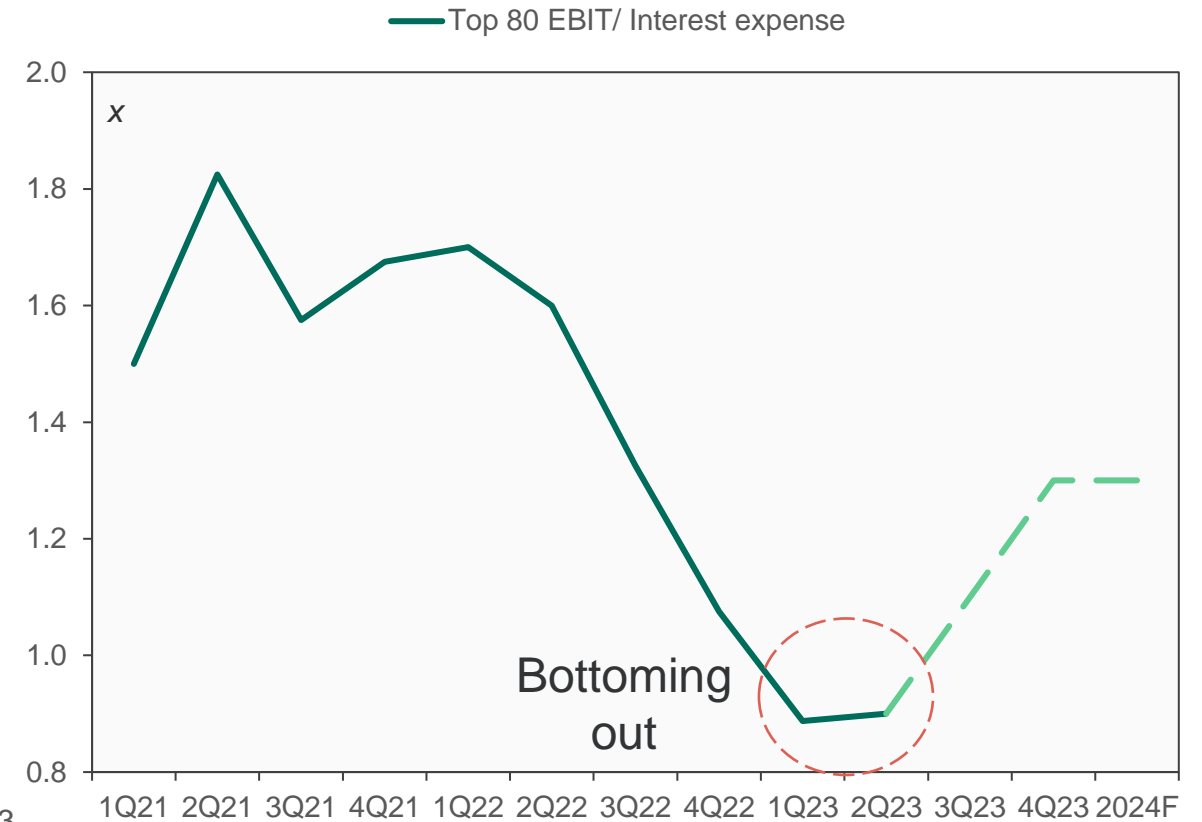


Source: Dragon Capital, SBV, MOF, Vietnamese Government

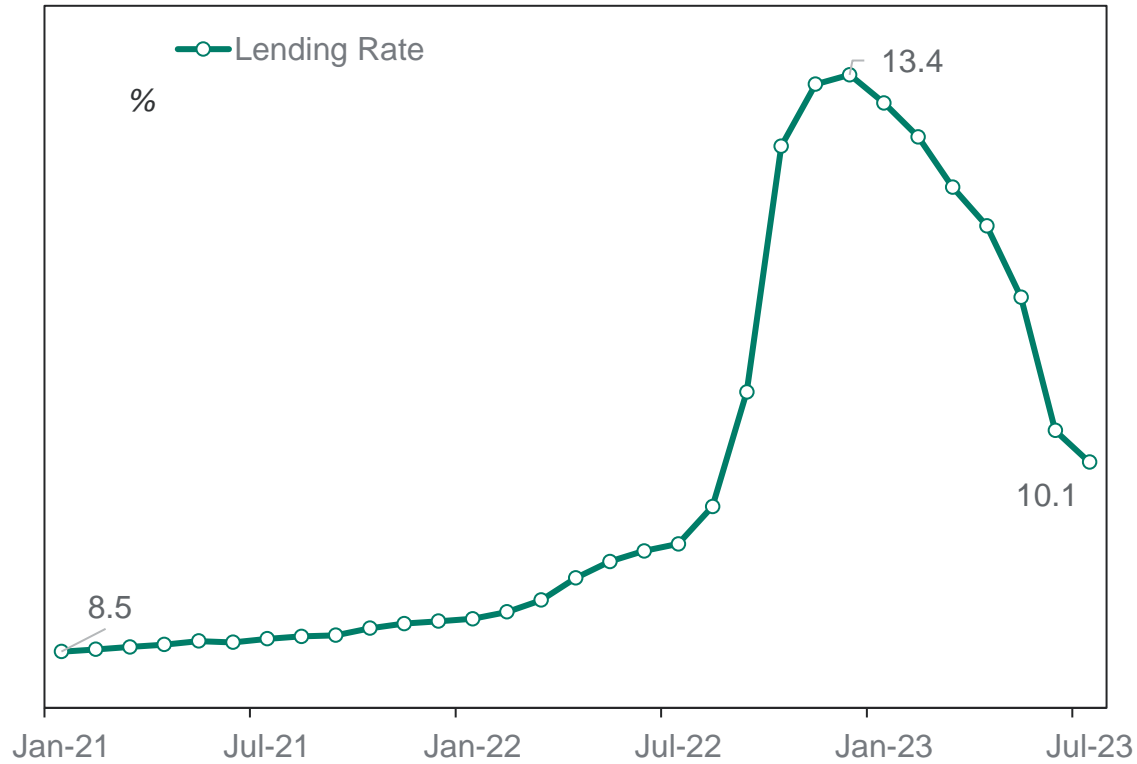
RETAIL MORTGAGE BECOMING AFFORDABLE



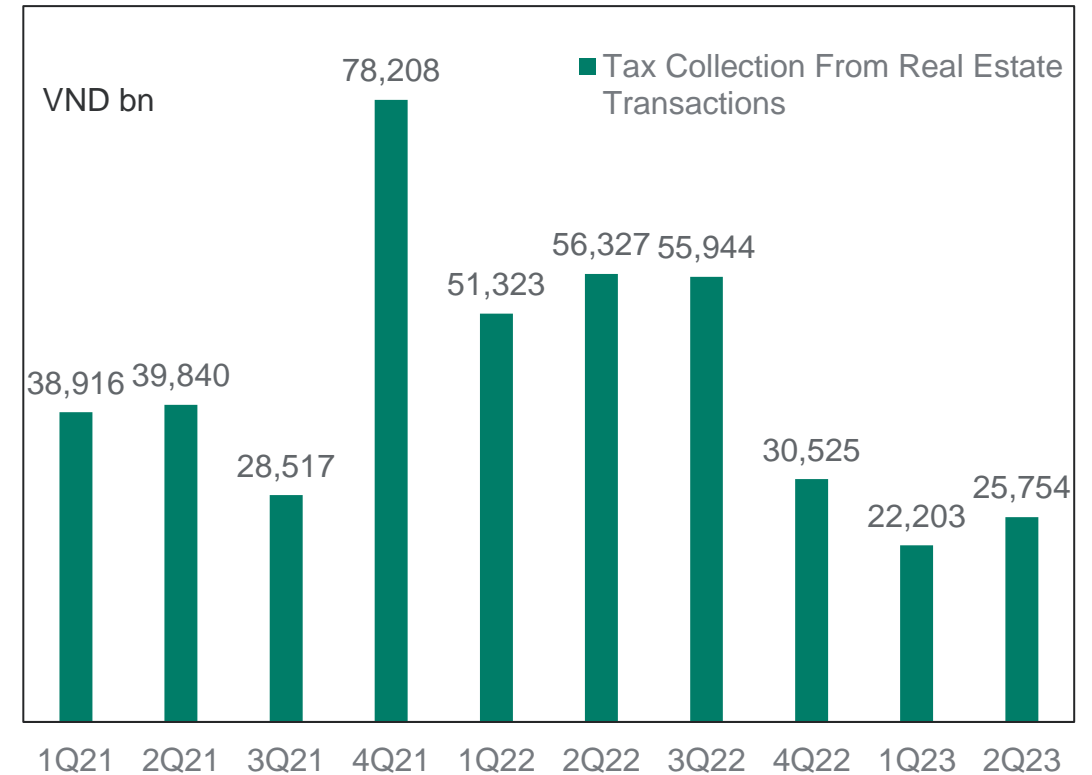
CORPORATES – IMPROVING DEBT SERVICE CAPABILITY



MORTGAGE RATE COOLED DOWN

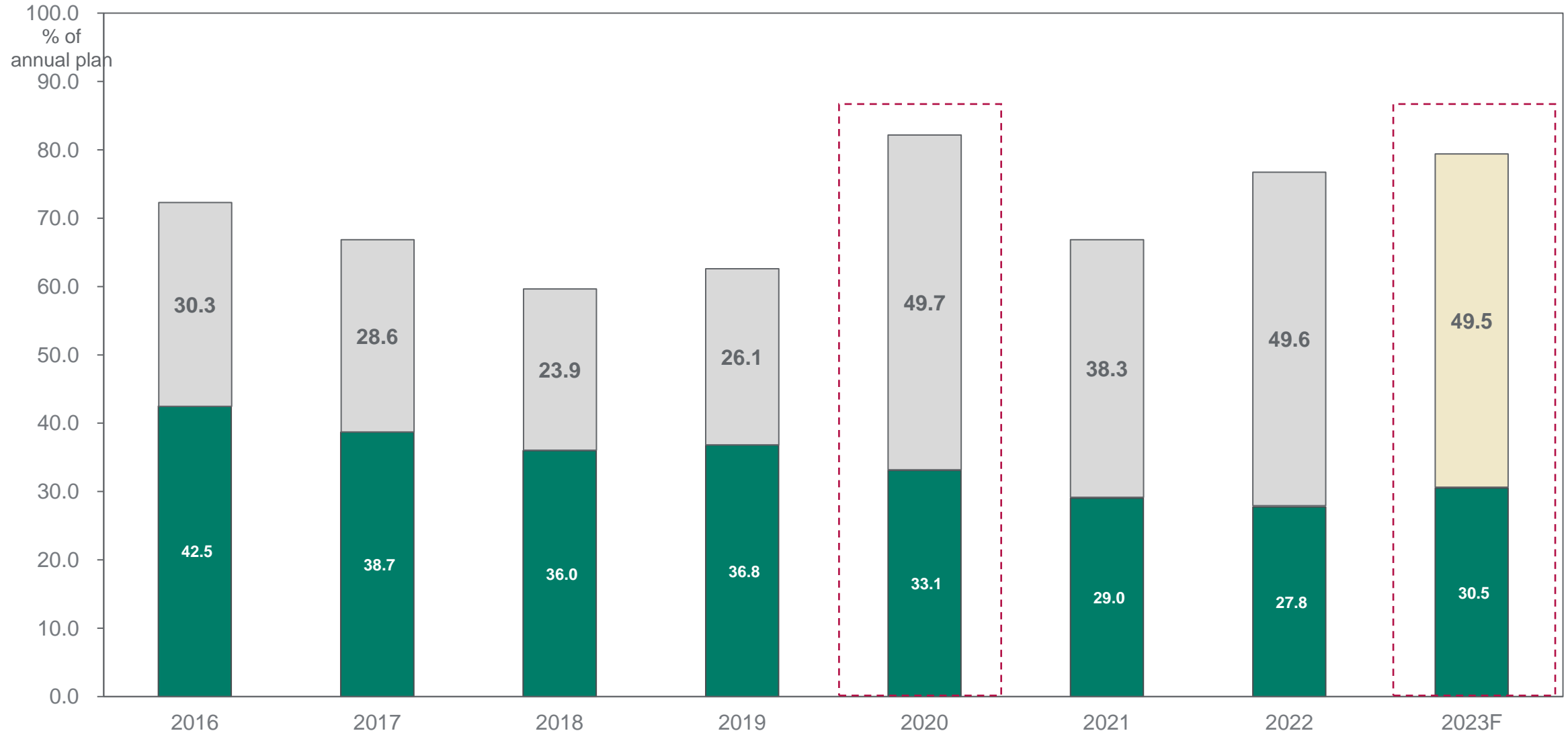


TAX COLLECTION PICK UP IN 2Q23



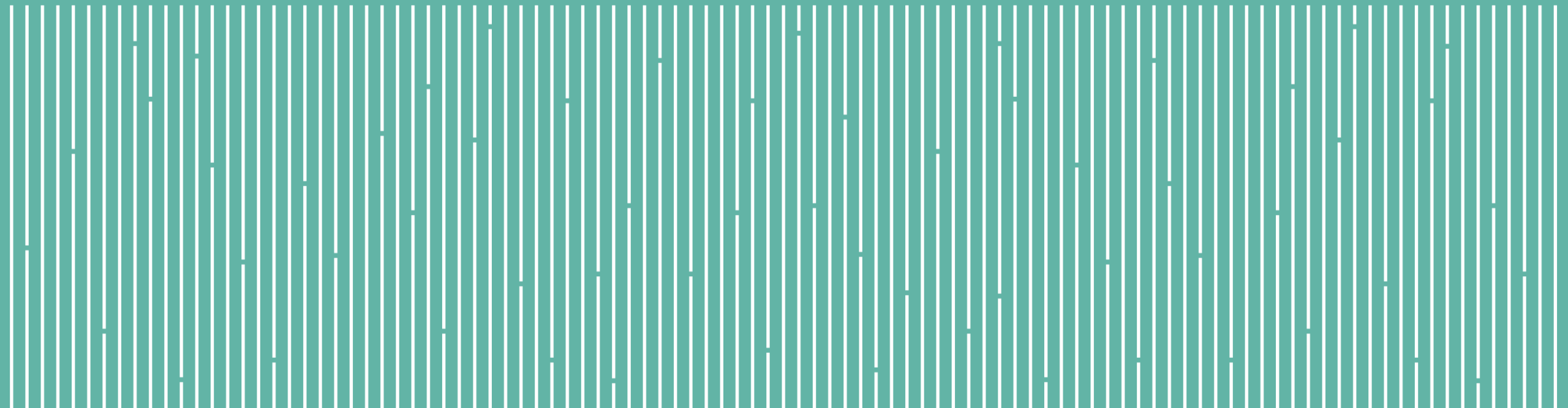
- Reacting to rate cuts, mortgage rates also started to cool down.
- State owned commercial banks/ Techcombank/ some foreign banks offered honeymoon rate of 7.5-8.5% fixed for 6M to 12M.

4. SUPPORTED BY GOVERNMENT SPENDING

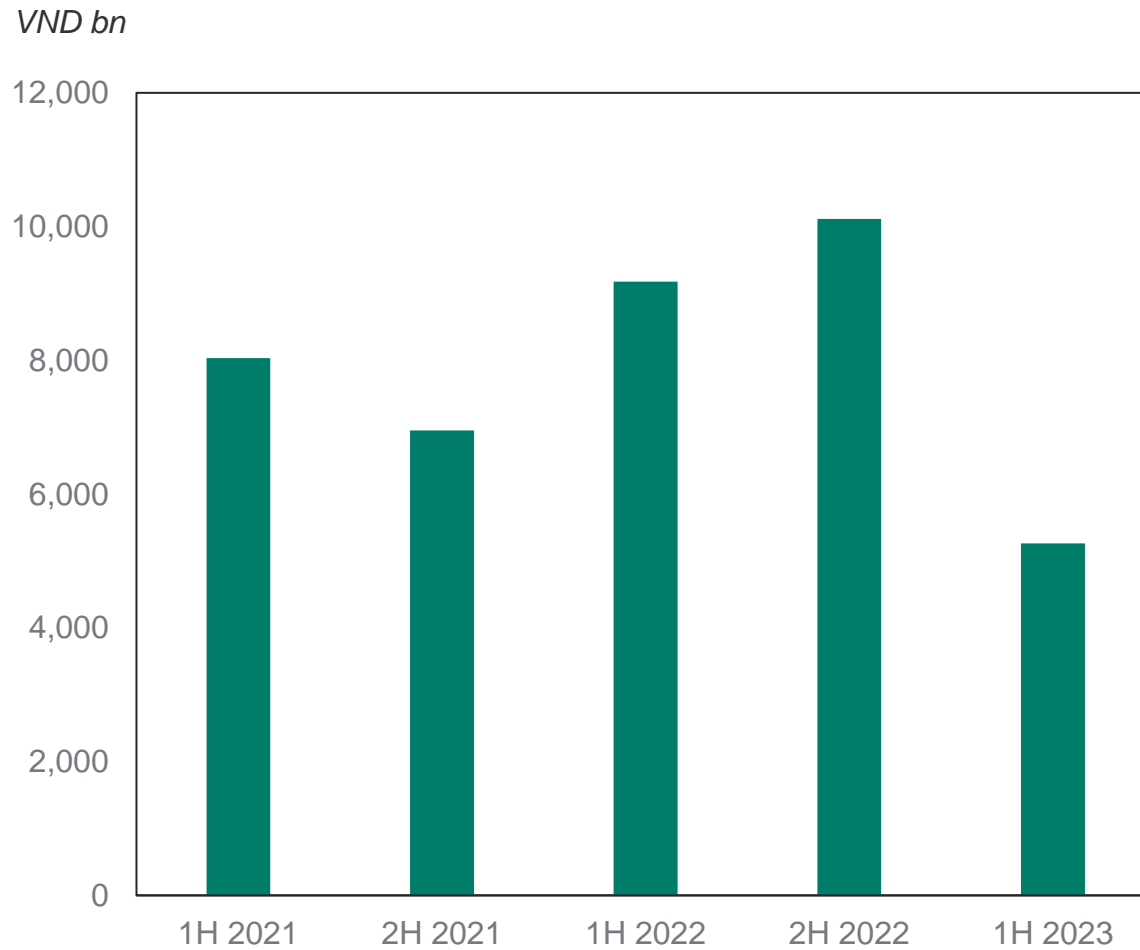


Source: Dragon Capital, MOF, as of 30 Jun and 31 Dec

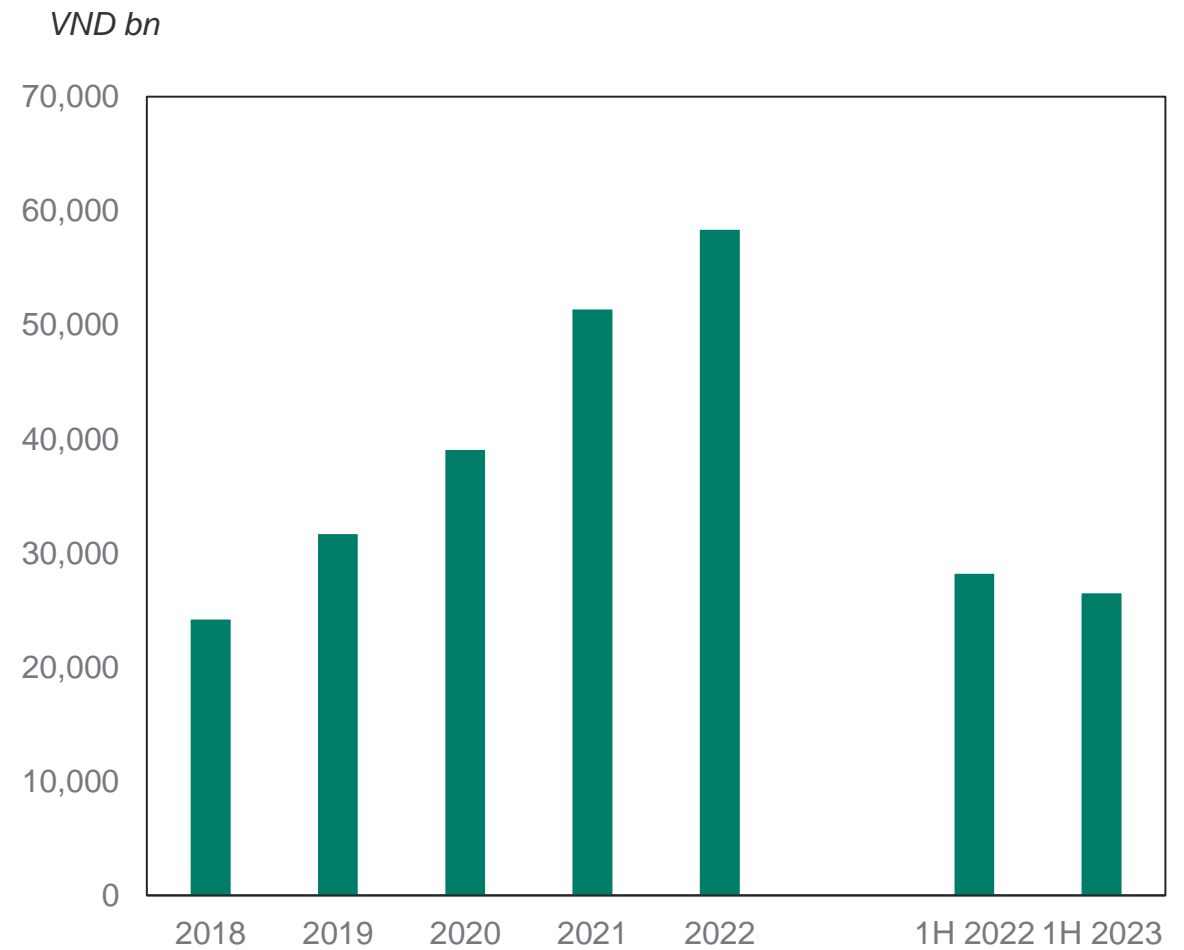
ECONOMY IMPACT ON BANKING SECTOR



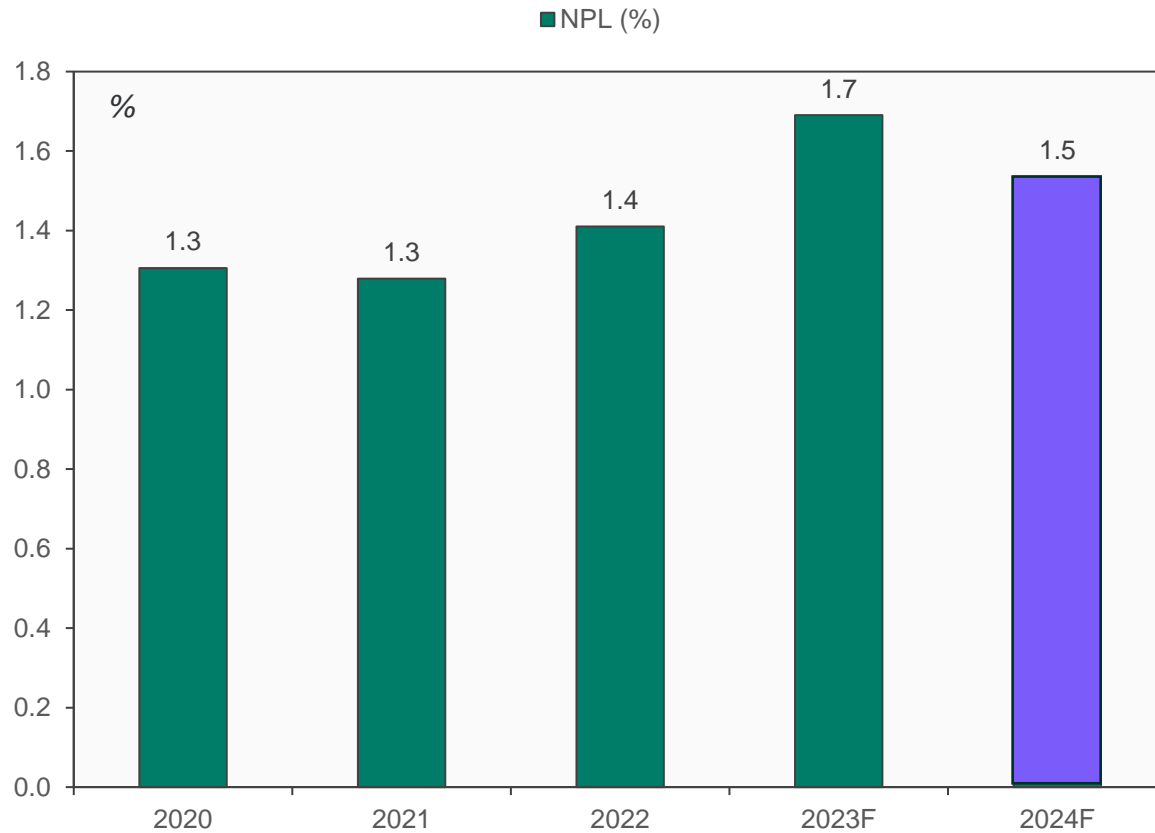
BANCASURANCE



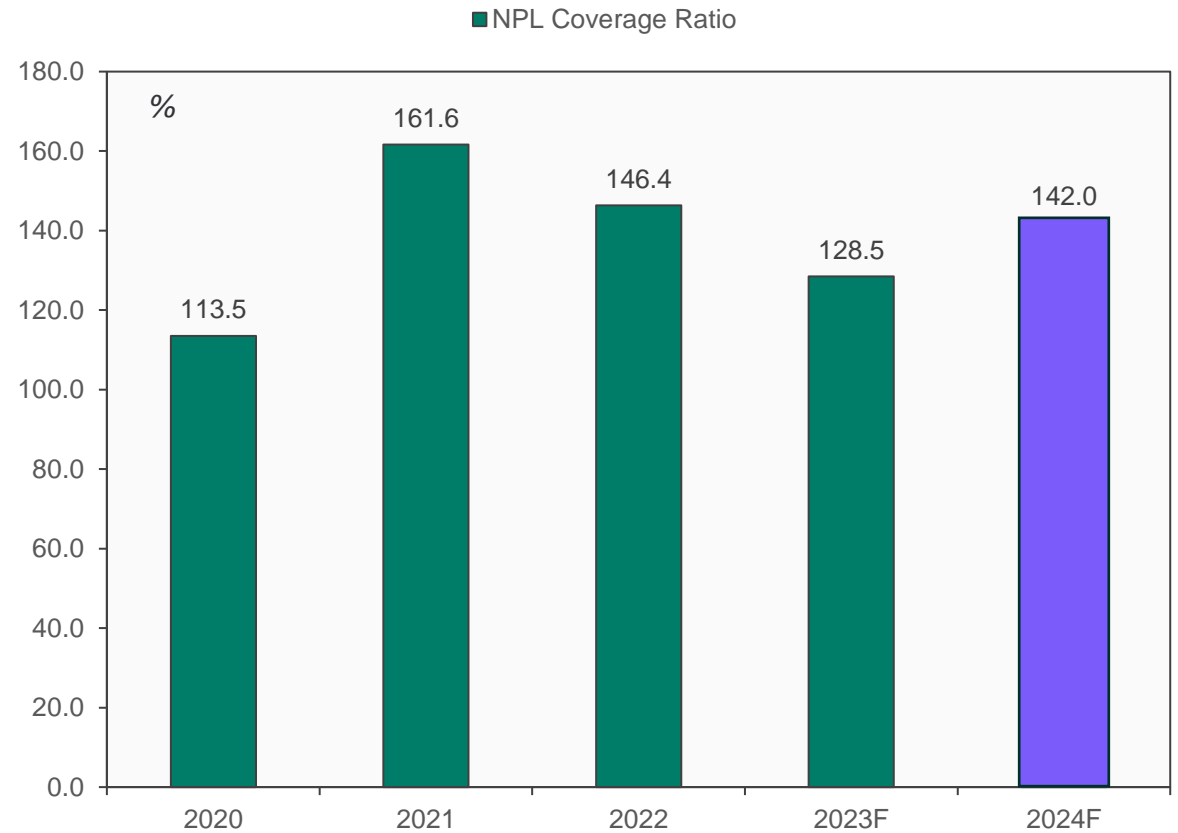
FEE BASED INCOME



WE EXPECT NPL PEAKED IN 2023 – DECLINE IN 2024



NPL COVERAGE RATIO WILL NATURALLY RECOVER TO AVERAGE LEVEL



CONCLUSION

